



DEPARTMENT OF LABOR

Employment and Training Administration

Updated Methodology for Selecting a Job Corps Center for Closure and Center Proposed for Closure: Comments Requested

AGENCY: Office of Job Corps, Employment and Training Administration (ETA), Labor.

ACTION: Notice.

SUMMARY: The Employment and Training Administration of the U.S. Department of Labor (the Department or DOL) issues this notice to revise the “additional considerations” for selecting Job Corps Centers for closure, and to propose the closure of Golconda Job Corps Center (Golconda) in Golconda, Illinois, based on low-performance. This notice seeks public comment on the proposal to close Golconda.

DATES: To be ensured for consideration, comments must be submitted in writing on or before [INSERT DATE 30 DAYS FROM THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by Docket Number ETA-2017-0004, by only one of the following methods:

Federal e-Rulemaking Portal: <http://www.regulations.gov>. Follow the Web site instructions for submitting comments.

Mail and hand delivery/courier: Submit comments to Lenita Jacobs-Simmons, National Director, Office of Job Corps (OJC), U.S. Department of Labor, Employment and Training Administration, 200 Constitution Avenue, NW, Room N– 4459, Washington, DC 20210. Due to security-related concerns, there may be a significant delay in the receipt of submissions by United States Mail. You must take this into consideration when preparing to meet the deadline

for submitting comments. The Department will post all comments received on <http://www.regulations.gov> without making any changes to the comments or redacting any information, including any personal information provided. The <http://www.regulations.gov> Web site is the Federal e-rulemaking portal and all comments posted there are available and accessible to the public. The Department recommends that commenters not include personal information such as Social Security Numbers, personal addresses, telephone numbers, and e-mail addresses in their comments that they do not wish to be made public, as such submitted information will be available to the public via the <http://www.regulations.gov> Web site. Comments submitted through <http://www.regulations.gov> will not include the e-mail address of the commenter unless the commenter chooses to include that information as part of his or her comment. It is the responsibility of the commenter to safeguard personal information.

Instructions: All submissions received should include the Docket Number for the notice: Docket Number ETA-2017-0004. Please submit your comments by only one method. Again, please note that due to security concerns, postal mail delivery in Washington, D.C. may be delayed. Therefore, the Department encourages the public to submit comments on <http://www.regulations.gov>.

Docket: All comments on the selected Job Corps Center for closure will be available on the <http://www.regulations.gov> Web site. The Department also will make all of the comments it receives available for public inspection by appointment during normal business hours at the above address. If you need assistance to review the comments, the Department will provide appropriate aids such as readers or print magnifiers. The Department will make copies of this methodology and the selected Job Corps center for closure available, upon request, in large print and electronic file on computer disk. To schedule an appointment to review the comments and/or obtain the notice in an alternative format, contact the Office of Job Corps at (202) 693-3000 (this

is not a toll-free number). You may also contact this office at the address listed below.

FOR FURTHER INFORMATION CONTACT: Lenita Jacobs-Simmons, National Director, Office of Job Corps, ETA, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-4463, Washington, DC 20210; Telephone (202) 693-3000 (this is not a toll-free number).

Individuals with hearing or speech impairments may access the telephone number above via TTY by calling the toll-free Federal Information Relay Service at 1-(877)889-5627 (TTY/TDD).

SUPPLEMENTARY INFORMATION:

I. Background on the Job Corps Program and Center Closures

Established in 1964, Job Corps is a national program administered by ETA in the Department. It is the nation's largest federally-funded, primarily residential training program for opportunity youth, ages 16-24. With 125 centers in 50 states, Puerto Rico, and the District of Columbia, Job Corps seeks to change lives through education and job training for in-demand careers. Job Corps serves at-risk young people who seek to overcome barriers to employment, which can include poverty, homelessness, or aging out of the foster care system, by providing them with the academic, career technical, and employability skills to enter the workforce, enroll in post-secondary education, pursue apprenticeship opportunities, or enlist in the military.

Large and small businesses, nonprofit organizations, and Native American tribes manage and operate 99 of the Job Corps centers through contractual agreements with the Department of Labor awarded pursuant to Federal procurement rules. Twenty-six Civilian Conservation Centers (CCCs) are operated through an interagency agreement with the U.S. Department of Agriculture (USDA). Job Corps receives annual funding to operate centers, administer the program, and build, maintain, expand, or upgrade a limited number of new and existing facilities.

II. Closure Criteria

The Department is continuously taking steps to ensure that Job Corps' resources are used to deliver the best possible services to students. As part of these ongoing efforts, the Department may determine that closing a center or centers will allow for the more effective, efficient provision of high-quality services to its students. Since 2014, the Department has closed two centers and proposed a third center for closure.

The Workforce Innovation and Opportunity Act (WIOA), which became effective on July 1, 2015, directs DOL to “establish written criteria that the Secretary shall use to determine when a Job Corps center supported under this part is to be closed and how to carry out such closure[.]” 29 U.S.C. § 3211(c)(1). The Department has published three criteria upon which it may propose to close a center:

1. A methodology for selecting a center for closure based on its chronic low performance, first described in an August 2014 Federal Register Notice (FRN) (79 Fed. Reg. 51198), and updated in a March 2016 FRN (81 Fed. Reg. 12529);
2. An agreement between the Secretaries of Labor and Agriculture to close a CCC, as described in the March 9, 2016, FRN; and
3. An evaluation of the effort required to provide a high-quality education and training program at the center, as described in the March 9, 2016, FRN.

Closure may be based on any one of the three criteria, and a single criterion may be applied independently of the others. Thus, while a center may qualify for closure under more than one criterion, DOL may choose to rely on only one criterion when deciding to propose a center for closure.

Prior to making a decision to propose a center's closure, the Department also applies the relevant additional considerations first discussed in the August 2014 notice. One of those

considerations, *Job Corps Services for Residents in Each State, Puerto Rico, and the District of Columbia*, is being revised, as described below in Section D.

A. Long Term Center Performance

Chronically low-performing centers, as described in the August 2014 FRN and the updated March 2016 FRN, do not benefit the population of young people Job Corps aims to empower and are a poor use of Job Corps' limited program dollars. DOL uses the following performance-based criteria against which all centers are measured in evaluating whether a center should be closed:

1. Five-year Outcome-Measurement System (OMS) performance level;
2. Five-year On-Board Strength (OBS); and
3. Five-year Facility Condition Index (FCI).

A short description of these three factors is included below.

1. Five-Year (OMS) Performance Levels

OMS is a collection of 15 metrics that provide a comprehensive assessment of center performance, which allows for comparison of performance among centers and supplies enough data for decision makers to identify trends over time. These published performance metrics have driven center performance and programmatic decisions for more than a decade. Accordingly, the primary performance-based factor in selecting a center for closure is a center's OMS data.

In applying this factor, the Department will evaluate each center's overall OMS ratings for the five most recent full program years to derive a weighted five-year average performance rating, with recent years receiving a greater weight than earlier years. Further, the original OMS ratings for each of the five program years, which exceeded 100% for some centers, were normalized at 100% to be consistent with OBS and FCI. "Normalized" means the data has been

placed on a 100-point scale. The calculation formula for the methodology also contains normalized data for OMS.

The year-by-year weighted method is as follows (with the identified years being annually updated to reflect the five most recent full program years for which data is available):

PY 2016	30%
PY 2015	25%
PY 2014	20%
PY 2013	15%
PY 2012	10%
Total:	100%

The calculation formula for five-year performance for the methodology is as follows:

$$\text{Center's five-year weighted average rating} \times 90\% = \text{Overall Performance Rating}$$

2. On-Board Strength (OBS)

On-Board Strength is an efficiency rating that demonstrates the extent to which a center operates at full capacity. The measure is reported as a percentage, calculated by the center's actual capacity for student slots divided by the planned capacity to fill those slots (daily number of students that a center is authorized to serve). The national goal for OBS is 100% in order to operate the program at full capacity, maximize program resources, and fulfill the mission of serving the underserved student population.

This factor evaluates each center's end of program year OBS rating for five full program years to derive a five-year average rating. As explained above in the context of OMS data, the closure methodology uses OBS data from the most recent five-year period. As noted in the August 27, 2014, FRN there were anomalies to the OBS data for PY 2012 caused by temporary enrollment suspensions. The January 31, 2013 (PY– COBS) report will be used as the basis for

assessing center-level OBS performance for PY 2012. The methodology weights each of the last five program years' OBS data, with more recent years receiving more weight to incorporate performance improvement. Finally, the OBS ratings for each of the five program years were normalized at one hundred percent (100%), so as to be consistent with the OMS and FCI data.

The year-by-year weighted structure is as follows (with the identified years updated annually to reflect the five most recent full program years for which data is available):

PY 2016	30%
PY 2015	25%
PY 2014	20%
PY 2013	15%
PY 2012	10%
Total:	100%

The calculation formula for five-year OBS for the methodology is as follows:

$$\text{Center's five-year weighted average cumulative OBS} \times 5\% = \text{Overall OBS Rating}$$

3. Facility Condition and Physical Plant

Facility quality is critical for a residential educational program that houses its students on-site 24 hours a day, seven days a week, for much of the year. Each Job Corps center is a fully operational complex with academic and career technical training facilities, dining and recreation buildings, administrative offices, and residence halls (with the exception of solely nonresidential facilities), including the surrounding owned or leased property on which the center is located.

To properly manage the program's facility and condition needs, Job Corps uses the FCI and gives each center an annual rating. This rating, which is expressed as a percentage, accounts for the value of a center's construction, rehabilitation, and repair backlog, as compared to the replacement value of the center's facilities. Facility conditions affect the outcomes of the Job

Corps program because good outcomes begin with facilities that contribute to a high-quality, safe and productive living and learning environment.

For this factor, the Department evaluated each center's FCI, which takes into account all construction projects completed over the same five-year period as the other two factors.

As with the performance and OBS criteria, the methodology applies weights to each of the five latest program year's FCI data, with more recent years receiving more weight to incorporate any recent improvement. The year-by-year weighted structure is as follows (these years are automatically updated to reflect the five most recent full program years):

PY 2016	30%
PY 2015	25%
PY 2014	20%
PY 2013	15%
PY 2012	10%
Total:	100%

The calculation formula for FCI for the methodology is as follows:

$$\text{Center's five-year weighted average FCI rating} \times 5\% = \text{Overall FCI Rating}$$

Applying the three performance-based factors above yields an overall rating for each center, allowing DOL to rank all centers based on historical performance, with the lowest performing center receiving the lowest rating. The calculation formula for the overall rating is as follows:

Overall OMS Performance Rating (90%)	+	Overall OBS Rating (5%)	+	Overall FCI Rating (5%)	=	Overall Rating for Primary Selection Factors
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B. Agreement Between the Secretaries of Labor and Agriculture To Close Civilian Conservation Job Corps Centers (CCCs)

Independent of the other two criteria, the Secretaries of Labor and Agriculture may jointly agree to close a CCC. As with other Job Corps centers, these CCC facilities provide skills training for disadvantaged young people to aid their entry into the American workforce, but with additional focus on conserving the United States' natural resources and providing assistance during natural disasters.

This joint decision to close a center will take into account past efforts to improve the center's deficiencies, the prospect for improving those deficiencies, the impact on the mission and workforce of both departments, and the purpose and goals of the Job Corps program. The rationale behind the Agriculture and Labor Secretaries' decision to close a CCC will be detailed in a notice proposing the action. The Secretaries' decision to propose a CCC for closure under this criterion also will take into account the relevant additional considerations, detailed below. This basis is independent of other performance improvement and restructuring and reform efforts initiated by either Department or mandated by WIOA to address performance challenges at the CCCs. Finally, this criterion does not limit the Department's authority to propose closing a CCC based on the other closure criteria, regardless of whether the Secretaries jointly agree to close the center.

This criterion was not used to propose the closure of Golconda. While Golconda is a CCC, the Department is proposing to close the center based on chronic low performance.

C. Evaluation of Continuing Center Operations

The Department has determined that it may be necessary to close a center for reasons other than chronic low performance or agreement between the Secretary of Labor and the Secretary of Agriculture. Job Corps constantly evaluates the needs of each center it operates.

Some centers, for a variety of reasons, face more difficult challenges than others in providing a safe, secure environment where participants can receive high-quality education and training. Some challenges develop over time, while others arise more rapidly. Challenges may involve the condition of the facility; its proximity to relevant job markets; the ability of the center to attract students; the impact of one-time events; or a host of other factors. Addressing these challenges may require sustained efforts that involve significant programmatic, staff, capital, organizational, and/or other investments and resources. Even with such a commitment, it may be difficult to achieve positive outcomes for students. In such a situation, Job Corps will carefully assess: (1) The ongoing needs of the center against those of the program overall; (2) the effort required to provide and maintain a high-quality, safe and productive living and learning environments; and (3) whether that effort is likely to ultimately produce an outcome that contributes to the program's overall strength and integrity. After reviewing all relevant information the Department may decide to propose a center for closure.

This criterion was not used to propose the closure of Golconda.

D. Additional Considerations for Center Closure

After applying any of the three closure criterion identified above, the Department will consider the four factors below, as appropriate, when deciding whether it should propose a center for closure.

1. Job Corps Services for Residents in All Geographic Areas

The consideration *Job Corps Services for Residents in Each State, Puerto Rico, and the District of Columbia* is being amended to *Job Corps Services for Residents in All Geographic Areas*. While the Department is committed to providing service across a broad geographic area, it will no longer ensure that it maintains at least one Job Corps center in each state, the Commonwealth of Puerto Rico, and the District of Columbia. The Department will continue to

ensure adequate training opportunities for eligible individuals in or near the area where they reside. However, the Department has determined that promising to maintain a center in each state unduly restricts its ability to ensure alignment with local and regional labor market opportunities and ensure that supply aligns with demand for the program. Furthermore, it may limit the Department's ability to close centers which on their merits deserve to be closed. Despite this change, Job Corps will continue to be available to all eligible individuals regardless of where they reside and the program will continue to maintain a nationwide outreach strategy.

Accordingly, when applying this consideration, DOL will take into account whether a center's closure would have a disproportionate impact on the training and post-enrollment opportunities for students in any one geographic area and ensure that it does not too rapidly reduce Job Corps' presence in any one geographic area.

2. Sufficiency of Data Available To Evaluate Center Performance

When proposing closure for chronic low performance, the Department will not consider any center for which it does not have sufficient data to evaluate that center's performance. The centers in Pinellas County, Denison, Wind River, New Hampshire, Cascades, Homestead, Treasure Lake, and Ouachita Centers are not included for consideration for closure. For each of these centers, there is not enough OMS data to evaluate the center's performance over the full five-year performance period. The reasons for the lack of five years' continuous data for these centers include: two new centers were opened during the five-year performance period (Wind River and New Hampshire); two centers were excluded because of their selection as Center for Excellence (CFE) pilot sites (Pinellas County and Denison); one center was excluded due to its current pilot designation (Cascades); one center was excluded due to suspension of operations (Homestead); and two centers were permanently closed (Treasure Lake and Ouachita).

3. Indication of Significant Recent Performance Improvement

When applying the performance-based methodology, the Department will consider evidence of recent performance improvement. Therefore, a center will be removed from closure consideration based on performance-based closure criteria if it is performing in the top half of centers in the most recent full year of performance data.

4. Job Corps' Commitment to Diversity

Job Corps currently serves a diverse student population and remains committed to serving disadvantaged youth from all backgrounds. In making final closure decisions under any of the three criteria identified in Section A above, we will consider whether a center's closure would result in a significant reduction in student diversity within the overall Job Corps system.

III. Temporary Closure of the Golconda Job Corps Center

On July 19, 2017, the Department of Labor temporarily closed Golconda. Section III(I)(1) of the Interagency Agreement between DOL and USDA governing the operation of the Forest Service-operated CCCs authorizes DOL, in consultation with USDA, to “temporarily close a Job Corps CCC managed by USDA, based upon a concern for the health, safety and well-being of students, staff, and/or nearby community(ies).”

Golconda has a long history of discipline and safety issues on campus, including an inability to comply with Job Corps’ discipline policy; failure to adequately notify the Department of serious incidents; and an inability to ensure that students are provided a safe, healthy, and secure learning environment. Over the past several years, DOL has made numerous attempts to partner with the Forest Service and center leadership to address these issues. However, despite the introduction of multiple new procedures on center and the efforts of numerous different center directors, the operation of the center has not improved and there has been no improvement in the safety of the students at Golconda. After careful assessment, DOL, after consultation with

USDA, determined that Golconda's problems were so intractable that the center was temporarily closed to ensure the health and safety of the students and staff currently on center.

IV. Proposal to Permanently Close the Golconda Job Corps Center

Based on the performance-based criteria, and after applying the additional considerations described above, the Department proposes to permanently close the Golconda Job Corps Center.

In applying the performance-based criteria, the Department first calculated the five-year OMS performance level, the five-year OBS, and the five-year FCI and then calculated the Overall Rating for Primary Selection Factors, as described above, using data from PY 2012-2016. Golconda received the lowest Overall Rating for Primary Selection Factors and, therefore, the lowest ranking.

After ranking the centers based on the primary criteria, the Department then applied the additional considerations. The Department determined that these considerations did not preclude closure of Golconda. The Department is requesting public comments on the selection of Golconda for closure.

V. The Process for Closing Job Corps Centers, as Outlined in the Workforce Innovation and Opportunity Act

The Department's process for closing Job Corps centers will follow the requirements of section 159(j) of the WIOA, which include the following:

- The proposed decision to close a particular center is announced in advance to the general public through publication in the Federal Register or other appropriate means;
- A reasonable comment period, not to exceed 30 days, is established for interested individuals to submit written comments to the Secretary; and

- The Member of Congress who represents the district in which such center is located is notified within a reasonable period of time in advance of any final decision to close the center.

This Notice serves as the public announcement of the decision to close the Golconda CCC. The Department is providing a 30-day period – the maximum amount of time allowed for comment under WIOA sec. 159(j) – for interested individuals to submit written comments on the proposed decision to close these centers.

Byron Zuidema,

Deputy Assistant Secretary for Employment and Training.

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